

the condition of education 2007



INDICATOR 20

Annual Earnings of Young Adults

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Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2007*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2007064>) or contact ED PUBs at 1-877-4ED-PUBS.

Suggested Citation:

U.S. Department of Education, National Center for Education Statistics. (2007). *The Condition of Education 2007* (NCES 2007-064). Washington, DC: U.S. Government Printing Office.



Economic Outcomes

Annual Earnings of Young Adults

Adults ages 25–34 with a bachelor's degree or higher have higher median earnings than their peers with less education, and these earnings differences increased from 1980 to 2005.

This indicator examines the relationship between education and median annual earnings, in constant 2004 dollars, for young adults ages 25–34 who work full time throughout a full year.

For each year shown between 1980 and 2005, earnings for young adults increased when education level increased (see supplemental tables 20-1 and 20-2). For example, young adults with at least a bachelor's degree consistently had higher median earnings than those with less education. This pattern generally held for male, female, White, Black, Hispanic, and Asian subgroups. Moreover, for the entire population and generally for each subgroup, the difference between the earnings of those with at least a bachelor's degree and those with less education grew during this period. For example, males with a bachelor's or higher degree earned 19 percent more than male high school completers¹ in 1980 and 64 percent more than male high school completers in 2005 (see supplemental table 20-1).

During the period between 1980 and 2005, earnings fluctuated among those with at least a bachelor's degree and decreased among those

with less education, thus contributing to the growth in the median income gap. For example, the earnings of those with a high school diploma¹ decreased by \$5,600 between 1980 and 2005, while the earnings of those with a bachelor's or higher degree increased by \$2,300.

Males have higher median earnings than females at each level of educational attainment. However, the gaps between the sexes at each educational level were smaller in 2005 than in 1980. For example, males with a bachelor's degree or higher earned 36 percent more than their female counterparts in 1980, compared with 23 percent more in 2005.

In 2005, Asian young adults with a bachelor's degree or higher generally had higher earnings than their White peers, and both groups had higher earnings than their Black and Hispanic peers (see supplemental table 20-2). Unlike in 2004 where a difference was detected, in 2005 there were no measurable differences in earnings between White young adults who did not complete high school and their Black and Hispanic peers.

¹ Includes those who earned a high school diploma or equivalent (e.g., a General Educational Development [GED] certificate).

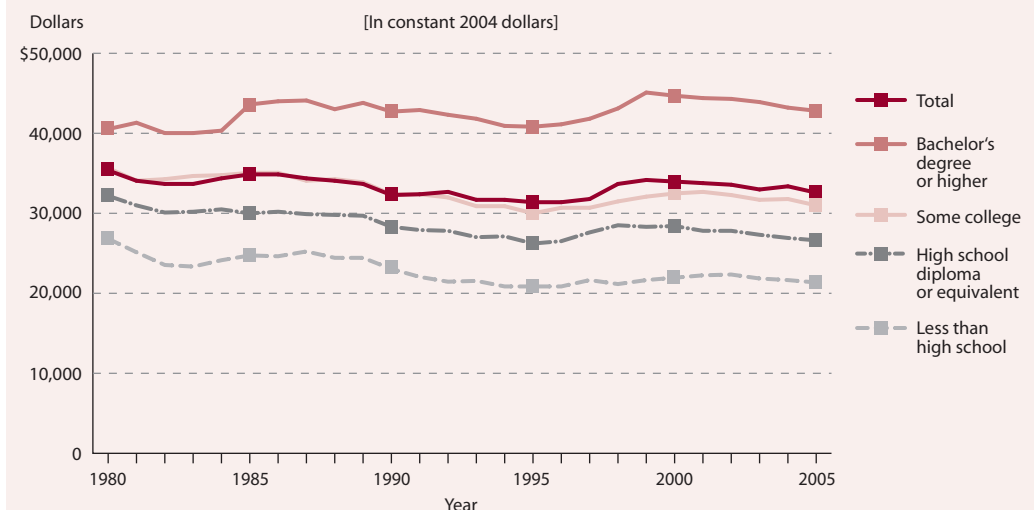
NOTE: Earnings are presented in 2004 constant dollars by means of the Consumer Price Index (CPI) to eliminate inflationary factors and allow direct comparison across years. See supplemental note 11 for further discussion. Full-year worker refers to those who were employed 50 or more weeks the previous year; full-time worker refers to those who were usually employed 35 or more hours per week. The Current Population Survey (CPS) questions used to obtain educational attainment were changed in 1992. In 1994, the survey instrument for the CPS was changed and weights were adjusted. See supplemental note 2 for further discussion.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), March and Annual Social and Economic Supplement, selected years, 1981–2006.



FOR MORE INFORMATION:
Supplemental Notes 1, 2, 11
Supplemental Tables 20-1,
20-2

ANNUAL EARNINGS: Median annual earnings of full-time, full-year wage and salary workers ages 25–34, by educational attainment: Selected years, 1980–2005



Annual Earnings of Young Adults

Table 20-1. Median annual earnings of full-time, full-year wage and salary workers ages 25–34, by educational attainment, sex, and race/ethnicity: Selected years, 1980–2005

[In constant 2004 dollars]										
Educational attainment, sex, and race/ethnicity ¹	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005
Total	\$35,600	\$35,100	\$32,500	\$31,600	\$34,200	\$34,000	\$33,800	\$33,200	\$33,600	\$32,800
Educational attainment										
Less than high school	27,000	24,900	23,200	21,000	22,100	22,400	22,500	22,000	21,800	21,500
High school diploma or equivalent	32,400	30,200	28,500	26,400	28,600	28,000	28,000	27,500	27,100	26,800
Some college	35,900	35,300	32,600	30,200	32,700	32,900	32,500	31,900	32,000	31,200
Bachelor's degree or higher	40,800	43,900	43,000	41,100	45,000	44,700	44,600	44,200	43,500	43,100
Sex and educational attainment										
Male	40,600	39,100	36,700	34,200	37,800	37,600	37,300	36,500	36,300	35,100
Less than high school	30,700	27,500	25,200	24,100	23,200	23,800	24,000	23,100	23,600	23,500
High school diploma or equivalent	38,800	35,200	32,000	29,700	32,300	31,400	31,100	30,900	30,400	29,600
Some college	40,800	39,800	37,600	33,000	38,000	37,400	37,300	36,000	36,400	35,500
Bachelor's degree or higher	46,300	48,200	46,000	46,400	50,900	51,200	51,400	49,600	50,700	48,400
Female	27,600	29,100	28,900	27,500	30,100	31,200	31,600	31,500	31,000	30,300
Less than high school	19,900	19,600	18,200	17,100	18,500	17,900	18,000	19,800	18,700	17,800
High school diploma or equivalent	25,500	25,000	23,700	21,800	23,500	24,200	24,600	24,400	24,000	23,500
Some college	27,800	28,900	29,000	26,700	27,800	28,100	28,200	28,000	28,800	28,100
Bachelor's degree or higher	34,100	36,900	38,800	37,300	39,900	40,200	42,000	41,300	40,300	39,500
Race/ethnicity¹ and sex										
White	36,700	36,600	34,600	33,000	35,600	36,800	37,100	36,300	36,700	35,000
Male	42,000	41,400	38,300	37,200	39,700	39,300	39,700	38,800	40,300	38,500
Female	28,000	29,900	29,700	28,800	32,500	33,100	32,900	32,400	32,300	31,100
Black	28,200	27,100	26,300	26,400	28,500	28,900	29,200	29,300	27,600	28,200
Male	31,800	29,400	28,000	28,600	32,100	32,400	32,200	31,700	28,700	28,600
Female	25,900	24,300	24,800	24,700	25,600	27,000	27,800	27,700	27,200	27,800
Hispanic	30,800	29,400	27,000	25,500	28,000	27,300	27,800	27,200	26,600	26,600
Male	35,200	31,800	28,700	26,400	29,700	28,400	28,500	27,900	27,700	27,300
Female	25,500	27,000	24,000	23,400	24,600	25,300	26,300	26,000	24,800	25,900
Asian	—	—	33,900²	33,500²	40,300²	41,600²	42,200	42,500	40,700	40,400
Male	—	—	35,600 ²	35,400 ²	45,400 ²	45,000 ²	47,600	45,100	44,300	44,400
Female	—	—	32,100 ²	31,500 ²	38,400 ²	37,700 ²	34,100	37,700	37,100	38,800
American Indian/Alaska Native	—	—	29,700	25,600	27,200	29,000	26,500	27,500	26,500	30,000
Male	—	—	‡	‡	‡	‡	‡	‡	‡	‡
Female	—	—	‡	‡	‡	‡	‡	‡	‡	‡
More than one race	—	—	—	—	—	—	35,300	32,500	32,300	33,900
Male	—	—	—	—	—	—	37,000	37,100	35,000	35,900
Female	—	—	—	—	—	—	32,400	30,000	30,100	30,600
Other	35,000	34,900	‡	—	—	—	—	—	—	—
Male	39,800	38,600	‡	—	—	—	—	—	—	—
Female	28,800	30,600	‡	—	—	—	—	—	—	—

— Not available.

‡ Reporting standards not met (too few cases).

¹ Race categories exclude persons of Hispanic ethnicity.

² From 1989 through 2002, Asians and Pacific Islanders were not reported separately; therefore, Pacific Islanders are included with Asians during this period. Pacific Islander data, for years available separately, did not meet reporting standards.

NOTE: Earnings are presented in constant dollars by means of the Consumer Price Index (CPI) to eliminate inflationary factors and allow direct comparison across years. See *supplemental note 11* for further discussion. *Full-year worker* refers to those who were employed 50 or more weeks the previous year; *full-time worker* refers to those who were usually employed 35 or more hours per week. The Current Population Survey (CPS) questions used to obtain educational attainment were changed in 1992. In 1994, the survey instrument for the CPS was changed and weights were adjusted. Estimates are revised from previous editions. See *supplemental note 2* for further discussion.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), March and Annual Social and Economic Supplement, selected years, 1981–2006.

Annual Earnings of Young Adults

Table 20-2. Median annual earnings of full-time, full-year wage and salary workers ages 25–34, by race/ethnicity and educational attainment: Selected years, 1980–2005

Race/ethnicity and educational attainment	[In constant 2004 dollars]									
	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005
White	\$36,700	\$36,600	\$34,600	\$33,000	\$35,600	\$36,800	\$37,100	\$36,300	\$36,700	\$35,000
Less than high school	29,100	27,400	24,700	22,700	23,200	23,800	24,700	23,700	25,700	22,200
High school diploma or equivalent	33,700	31,700	29,900	27,700	30,200	29,700	29,800	29,900	30,600	29,800
Some college	36,700	36,700	34,300	31,400	33,900	33,900	33,600	32,700	34,100	32,300
Bachelor's degree or higher	41,400	44,600	43,600	43,000	45,100	45,000	45,100	44,600	44,600	43,600
Black	28,200	27,100	26,300	26,400	28,500	28,900	29,200	29,300	27,600	28,200
Less than high school	20,600	18,600	18,500	18,000	20,900	21,900	20,900	18,400	19,900	20,800
High school diploma or equivalent	27,100	25,300	23,600	22,400	23,500	24,700	25,900	26,100	24,100	22,300
Some college	29,700	27,300	28,700	27,800	28,900	28,900	29,400	28,000	29,600	28,100
Bachelor's degree or higher	35,900	36,500	38,000	34,600	38,800	39,500	40,100	42,000	39,200	38,100
Hispanic	30,800	29,400	27,000	25,500	28,000	27,300	27,800	27,200	26,600	26,600
Less than high school	27,300	23,200	21,400	19,800	20,500	21,700	21,500	21,600	20,800	21,000
High school diploma or equivalent	28,000	27,200	24,900	23,600	25,600	25,200	26,300	24,600	24,000	23,100
Some college	34,900	33,400	30,500	26,000	30,600	30,700	30,400	31,400	31,200	31,300
Bachelor's degree or higher	38,100	42,300	39,600	38,300	41,600	39,600	42,600	38,600	40,100	40,500
Asian	—	—	33,900¹	33,500¹	40,300¹	41,600¹	42,200	42,500	40,700	40,400
Less than high school	—	—	‡ ¹	‡ ¹	‡ ¹	‡ ¹	‡	‡	‡	‡
High school diploma or equivalent	—	—	24,900 ¹	25,800 ¹	28,100 ¹	26,900 ¹	26,300	26,400	26,100	25,700
Some college	—	—	30,900 ¹	25,000 ¹	31,600 ¹	33,200 ¹	30,000	31,500	30,600	31,100
Bachelor's degree or higher	—	—	43,800 ¹	40,600 ¹	57,100 ¹	54,100 ¹	54,300	56,700	52,400	52,600
American Indian/Alaska Native	—	—	29,700	25,600	27,200	29,000	26,500	27,500	26,500	30,000
Less than high school	—	—	‡	‡	‡	‡	‡	‡	‡	‡
High school diploma or equivalent	—	—	‡	‡	‡	‡	‡	‡	‡	‡
Some college	—	—	‡	‡	‡	‡	‡	‡	‡	‡
Bachelor's degree or higher	—	—	‡	‡	‡	‡	‡	‡	‡	‡
More than one race	—	—	—	—	—	—	35,300	32,500	32,300	33,900
Less than high school	—	—	—	—	—	—	‡	‡	‡	‡
High school diploma or equivalent	—	—	—	—	—	—	‡	30,300	‡	‡
Some college	—	—	—	—	—	—	32,500	30,200	33,500	33,900
Bachelor's degree or higher	—	—	—	—	—	—	‡	‡	40,700	43,100
Other	35,000	34,900	‡	—	—	—	—	—	—	—
Less than high school	‡	‡	‡	—	—	—	—	—	—	—
High school diploma or equivalent	28,200	28,100	‡	—	—	—	—	—	—	—
Some college	36,800	32,800	‡	—	—	—	—	—	—	—
Bachelor's degree or higher	40,800	39,300	‡	—	—	—	—	—	—	—

— Not available.

‡ Reporting standards not met (too few cases).

¹ From 1989 through 2002, Asians and Pacific Islanders were not reported separately; therefore, Pacific Islanders are included with Asians during this period. Pacific Islander data, for years available separately, did not meet reporting standards.

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SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), March and Annual Social and Economic Supplement, selected years, 1981–2006.

Annual Earnings of Young Adults

Table S20-1. Standard errors for the median annual earnings of full-time, full-year wage and salary workers ages 25–34, by educational attainment, sex, and race/ethnicity: Selected years, 1980–2005

[In constant 2004 dollars]										
Educational attainment, sex, and race/ethnicity	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005
Total	\$190	\$230	\$230	\$170	\$110	\$110	\$110	\$100	\$310	\$300
Educational attainment										
Less than high school	590	880	470	380	340	300	300	290	260	270
High school diploma or equivalent	360	260	300	250	200	180	170	170	170	310
Some college	380	400	440	430	310	180	180	170	160	160
Bachelor's degree or higher	490	480	480	700	250	230	460	620	700	600
Sex and educational attainment										
Male	310	250	230	330	440	180	180	190	170	170
Less than high school	1,060	740	700	850	340	390	670	560	640	660
High school diploma or equivalent	350	410	320	490	490	530	470	290	220	220
Some college	580	690	460	390	610	470	290	470	290	260
Bachelor's degree or higher	540	690	470	710	490	830	950	1,130	890	910
Female	180	230	270	220	180	330	190	150	140	140
Less than high school	800	770	840	760	620	530	600	710	550	670
High school diploma or equivalent	250	380	280	370	290	340	420	360	530	380
Some college	320	400	430	290	240	260	250	240	610	520
Bachelor's degree or higher	510	400	450	520	280	470	360	330	220	230
Race/ethnicity and sex										
White	210	210	310	190	250	340	170	160	160	150
Male	330	460	250	360	190	210	470	460	190	480
Female	200	260	280	390	350	200	190	170	170	180
Black	430	470	680	440	310	280	630	800	480	540
Male	920	620	1,010	830	740	450	480	420	1,100	760
Female	560	760	780	730	630	370	410	350	380	690
Hispanic	1,230	680	750	490	380	330	260	300	310	460
Male	1,580	1,550	940	640	540	430	320	380	640	780
Female	1,190	1,070	960	1,180	710	650	570	530	570	530
Asian	†	†	1,430	1,140	550	1,330	1,890	810	680	600
Male	†	†	1,880	2,000	3,300	2,210	2,230	1,940	2,220	3,000
Female	†	†	1,760	1,880	1,230	1,660	1,980	1,980	1,250	1,760
American Indian/Alaska Native	†	†	3,770	2,350	1,260	1,270	1,910	2,070	2,440	1,020
Male	†	†	†	†	†	†	†	†	†	†
Female	†	†	†	†	†	†	†	†	†	†
More than one race	†	†	†	†	†	†	1,860	1,350	1,310	1,470
Male	†	†	†	†	†	†	1,310	3,250	2,370	1,950
Female	†	†	†	†	†	†	1,540	2,010	1,880	1,610
Other	1,500	1,350	†	†	†	†	†	†	†	†
Male	2,160	2,090	†	†	†	†	†	†	†	†
Female	1,940	1,600	†	†	†	†	†	†	†	†

† Not applicable.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), March and Annual Social and Economic Supplement, selected years, 1981–2006.

Annual Earnings of Young Adults

Table S20-2. Standard errors for the median annual earnings of full-time, full-year wage and salary workers ages 25–34, by race/ethnicity and educational attainment: Selected years, 1980–2005

Race/ethnicity and educational attainment	[In constant 2004 dollars]									
	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005
White	\$210	\$210	\$310	\$190	\$250	\$340	\$170	\$160	\$160	\$150
Less than high school	1,020	760	560	1,020	420	740	770	680	500	770
High school diploma or equivalent	400	400	280	310	360	460	410	580	240	210
Some college	410	390	610	330	240	220	220	200	670	660
Bachelor's degree or higher	520	380	410	740	280	270	680	690	630	460
Black	430	470	680	440	310	280	630	800	480	540
Less than high school	1,290	1,190	990	1,340	1,130	700	1,310	870	650	900
High school diploma or equivalent	640	660	460	710	360	800	650	360	900	740
Some college	1,190	820	890	770	460	410	870	510	740	950
Bachelor's degree or higher	1,330	1,140	830	1,160	1,350	1,000	930	450	1,230	1,200
Hispanic	1,230	680	750	490	380	330	260	300	310	460
Less than high school	2,390	1,900	1,870	860	700	420	420	370	380	410
High school diploma or equivalent	1,240	940	1,010	970	920	580	600	650	850	680
Some college	2,440	2,460	1,170	870	910	1,070	710	450	580	690
Bachelor's degree or higher	3,360	2,700	2,030	1,440	1,920	1,400	1,150	1,680	1,250	890
Asian	†	†	1,430	1,140	550	1,330	1,890	810	680	600
Less than high school	†	†	†	†	†	†	†	†	†	†
High school diploma or equivalent	†	†	2,020	1,800	1,330	1,270	1,200	1,280	850	1,260
Some college	†	†	1,660	1,210	1,150	970	1,280	580	1,730	2,000
Bachelor's degree or higher	†	†	2,120	1,760	2,450	2,500	2,310	2,030	2,110	1,960
American Indian/Alaska Native	†	†	3,770	2,350	1,260	1,270	1,910	2,070	2,440	1,020
Less than high school	†	†	†	†	†	†	†	†	†	†
High school diploma or equivalent	†	†	†	†	†	†	†	†	†	†
Some college	†	†	†	†	†	†	†	†	†	†
Bachelor's degree or higher	†	†	†	†	†	†	†	†	†	†
More than one race	†	†	†	†	†	†	1,860	1,350	1,310	1,470
Less than high school	†	†	†	†	†	†	†	†	†	†
High school diploma or equivalent	†	†	†	†	†	†	†	2,040	†	†
Some college	†	†	†	†	†	†	1,830	1,670	2,200	3,060
Bachelor's degree or higher	†	†	†	†	†	†	†	†	3,160	2,670
Other	1,500	1,350	†	†	†	†	†	†	†	†
Less than high school	†	†	†	†	†	†	†	†	†	†
High school diploma or equivalent	2,130	3,020	†	†	†	†	†	†	†	†
Some college	1,980	1,700	†	†	†	†	†	†	†	†
Bachelor's degree or higher	2,580	1,950	†	†	†	†	†	†	†	†

† Not applicable.

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), March and Annual Social and Economic Supplement, selected years, 1981–2006.